

**CARPINTERIA SANITARY DISTRICT
IN THE
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

MINUTES

These are the **minutes** of the **regular** meeting of the Governing Board of the Carpinteria Sanitary District in the City of Carpinteria, County of Santa Barbara, and State of California.

The Governing Board of the Carpinteria Sanitary District held a regular meeting on **October 16, 2007**, at 5:30 p.m. at its District administrative office located at 5300 Sixth Street, Carpinteria, California.

Directors Present: Jeff Moorhouse – President
Lin Graf – President Pro-Tem
Michael Damron – Secretary
Doug Treloar – Secretary Pro-Tem
Patricia Horwitz – Treasurer

Staff Present: Craig Murray – General Manager
Judy Kirkman – Board Secretary
Hamid Hosseini – Finance Director

Legal Counsel
Present: Anthony H. Trembley

Public Present: Tim Robinson, Giti White, Doug White, Jaleh White, Greg Donlon, John Stephenson, Dennis Kuttler, Douglas Wance, Lucretia Stephenson, Benjamin Weiss, Brook Taylor, Doug deFirmian, Sandra W. Carradine and other public members that did not submit a speaker's slip.

President Moorhouse called the meeting to order and asked Director Horwitz to lead the Pledge of Allegiance; Director Horwitz then did so.

President Moorhouse asked if there were any modifications and/or changes to the agenda. Hearing none, the agenda stood as submitted.

Minutes of the September 18, 2007 Board Meeting: Director Horwitz made a motion that the Board approve the minutes of the September 18, 2007 Board Meeting as submitted; Director Damron seconded the motion, and the motion passed by a 5-0 vote.

Public Forum. None

Assessment District 2007-01

Tabulation of Assessment Ballots and Preliminary Report of Results: President Moorhouse read the attached "Script for Public Hearing and Ballot". President Moorhouse opened the Public Hearing and asked General Manager to comment on Staff and Consultants' Presentations. General Manager thanked President Moorhouse and introduced

himself to the audience and thanked the audience for coming to participate in the meeting. General Manager introduced Judy Kirkman (Secretary to the Board and also the District's Office Manager), Christina Randopoulos (Engineer with Penfield & Smith Engineers), Pat Reeves (Assessment Engineer from Penfield & Smith Engineers), Scott Ferguson (Disclosure Counsel and the Bond Counsel for this project from Jones Hall), Adam Bauer (Fieldman & Rolapp – the Financial Advisor on the project), and Tony Trembley (District General Counsel).

General Manager said he had a few comments to wrap up the introductory remarks that were made by President Moorhouse. General Manager said the ballots had been collected and maintained securely by the District's Board Secretary and had not been subject to public inspection during the process. General Manager said some residents during the process had asked for replacement ballots, and they were provided upon request. General Manager said replacement ballots were available tonight if any property owner desired a replacement ballot. General Manager said the ballots themselves would be opened tonight in public view, and the preliminary and unofficial results would be reported for the overall assessment district and for each zone. General Manager said if a benefit area did not vote in favor of the assessment, that area would be removed from the assessment district and the Engineer's Report would be updated at a later date as necessary. The final assessment on a per parcel basis would be recalculated and the Final Engineer's Report would be prepared and come back to the Board for final approval, barring any complications, the first meeting in November. General Manager said once it was approved in a final form, a 30-day cash payment period would follow the assessment formation, and the property owners would have an opportunity to pay one-time cash up front for the assessment. Following that period the municipal bonds would be sold and the levies assessed for the assessment district. General Manager said this was the process and this item was turned back over to President Moorhouse.

President Moorhouse opened the meeting up for oral comments from the public. Tim Robinson was the first speaker. Mr. Robinson said he was an environmental scientist for the water districts in this area and a surfer. Mr. Robinson said he had gotten sick at Rincon several times over the years. Mr. Robinson said he was a resident of Sand Point Road. Mr. Robinson said most everyone thought the project was about water quality, but speaking specifically related to the Sand Point Road zone and not Rincon, Mr. Robinson said there wasn't any scientific data that said that the water quality conditions at Sand Point were being impaired by the septic systems in place there. Mr. Robinson said there was no proposal in the project to do monitoring to see if installing sewers was actually going to improve the project. Mr. Robinson said the project was frustrating because it didn't seem to include the water quality objectives the residents are looking for.

Giti White said she was at the meeting to request that CSD defer the assessment votes and proceedings until the project areas had been annexed into the District, and all general benefits and specific benefits had been accurately described in the Engineers Report. Ms. White encouraged CSD to insist that the general or public benefits associated with the project were clearly identified in the assessment, such as routing the sewer line out to the State and Santa Barbara County Parks at Rincon. Ms. White commented the FEIR and SFEIR both indicate that sewer infrastructure was sized to accommodate the Park. This is not a specific benefit to Rincon residents. Ms. White said CSD did not have the authority to assess Rincon homeowners to advance funds to cover this general benefit. Ms. White urged the CSD Board to establish an assessment process that avoided using Rincon Point homeowners to subsidize the planned connections of these parks with sewer infrastructure funded by this assessment. CSD has described further benefits of this project in its applications for two clean water grants for this project. Ms. White said these general benefits were omitted from the assessment analysis in the Engineer's Report. Ms. White also talked about including the Bluffs III development project in the assessment. Ms. White encouraged

the CSD Board to remove funds set aside to reimburse Heal The Ocean from the proposed assessment. Ms. White said this process had caused damage to the Rincon community and had divided people that shared a common goal of protecting water quality.

Doug White said for the record he'd like to reiterate the following objections to the assessment voting process for this project: failure to include public and private beneficiaries of this project in the assessment district and failure to include the County and State Parks in the assessment district, which could potentially affect the cost of the project and voting requirements. Mr. White said Rincon homeowners should not have to encumber their property to advance this benefit. Mr. White said failure to include the Bluffs development could affect the cost of the project in that the District, unnecessarily was proposing to traverse the development with an eight-inch sewer main to hook up to the compromised Bluffs line, Mr. White said a force main would also traverse a parcel of undisclosed ownership underlying the Rincon gate area. Mr. White asked if the vote required a 2/3 majority or a 51% majority to achieve approval for this project. Mr. White talked about a legal defense reimbursement to a local nonprofit. Mr. White said the District was appearing to be rushing for a vote before actual annexation. Mr. White said the process had been tainted by threats and intimidations, slurs and misrepresentations during the voting period.

Jaleh White said she wanted to voice some of her concerns regarding the forming of the assessment district. Ms. White asked if this project benefited the public. Ms. White said no general benefits had been described in the Engineer's Report regarding the statement in the grant application "reduction of the bacterial load in the environment is anticipated to result in a reduced frequency of beachgoers due to contamination near shore waters." Ms. White said some long-term homeowners were assessed at a very large percentage of their property's assessed value for this project since the County Parks and the State Parks were not contributing at this time, although the pipes and the infrastructure are sized for its future use. Ms. White asked if it was fair for long-term homeowners on fixed incomes to subsidize the County or the State. Ms. White talked about the location of the lift station in the Engineer's Report. Ms. White asked why homeowners should pay for the District's legal fees. Ms. White talked about the change in the design of the project that the District said was an improvement. Ms. White asked why homeowners had to pay for the District's bad decisions. Ms. White asked why the District was rushing the assessment when the annexation was not complete. Ms. White said an addendum was approved on August 7th for Sand Point Road community and Sandyland Cove community. Ms. White said LAFCO did not know about this change until five days ago.

Greg Donlon said he lived at Rincon Point where his family had farmed the land in Santa Barbara and Ventura counties since 1870. He said growing up he had a responsibility as a steward of the land to make the land productive and available for people to use. As homeowners at Rincon Point Mr. Donlon said they had the same responsibilities. Mr. Donlon said everyone should agree on one point that they want the water at Rincon Point clean. Mr. Donlon said he had surfed there since the 60's. Mr. Donlon said he didn't see enough evidence that the septic tanks were causing the problem. Mr. Donlon said hooking up to sewer is an expensive proposition with a questionable result.

John Stephenson said he supported the comments of Mr. Wance, Mr. Kuttler and Mr. Marx who would be speaking.

Dennis Kuttler, attorney on behalf of Lucy Stephenson, 172 Rincon Point Road asked the following questions: What is validation? Would you describe all aspects of what is going to occur during the validation? What is the Engineer of Works role in the tabulation, and was that person identified tonight? Will the final validation hearing be open to the public? Will we be able to inspect all of the ballots at the final validation hearing as well as interpose any objections? Will we be able to physically inspect ballots this evening? If the project team

inspects each ballot, when will that meeting occur? Who will be present, and will the public be invited when the validation process takes place?

Douglas Wance submitted his comments in writing (attached). Mr. Wance said he was from the law firm Bingham McCutchen, and he was representing Rincon Point Foundation. Mr. Wance said they object on the basis provided in the written comments submitted. Mr. Wance requested that the written, his oral comments and other documents and records he submitted in connection with this hearing be made a part of the records of these proceedings. Mr. Wance said their first objection was to the Preliminary Engineer's Report. Mr. Wance said the Preliminary Engineer's Report was supposed to impose details which provide the explanation of the reasonable costs of the proportional special benefit conferred. In this case the only thing mentioned in the report is a conclusionary statement that there is a special benefit and there is no general public benefit. This conclusionary statement is, as a matter of law, insignificant and does not satisfy the constitutional requirements, or the requirements under the Government Code, as well as the Bond Act of 1915 and the Improvement Act of 1913, under which these bonds are going to be issued. Mr. Wance said the methodology for the assessment that is included is a one-page summary that states that the special benefit is the improvements themselves. Mr. Wance said the improvements could not be the special benefit in and of themselves. Mr. Wance said the report also excludes three parcels, and the law states any parcel that will derive a special benefit within the assessment district must be included and made part of the assessment district when it is formed. Mr. Wance said the exclusion is arbitrary, capricious, unfair and against the California Constitution under Prop. 218. Mr. Wance said there is also the status of several missing parcels. Mr. Wance said when you are trying to annex, there are several parcels under each of the districts which are not being assessed. Mr. Wance said there were three parcels in Sandyland Cove, four parcels in Sand Point Road and nine parcels within Rincon Point which are not included.

Benjamin Weiss said he was a Rincon resident. Mr. Weiss said in looking at the proposal over the last few months he had come to the conclusion that the project had been sold to the community on false pretenses. Mr. Weiss said in order to justify a project of this size and scope three things would have to be shown: 1) that there is a problem; 2) that the proposed project will solve it; and 3) that the proposed project will be the best and most cost-effective option. Mr. Weiss said as far as he could tell none of these three things had been shown. Mr. Weiss said as far as septic causing a problem, the study was done in 1999, and instead of showing a problem, the creek and lagoon tested cleaner than a swimming pool as far as recreation standards, and that most of the bacteria found was not from humans. In fact the study concluded that the first priority was not to deal with septic or sewers, but to clean up after pets. The entire appendix of the study was devoted to domestic animals and cleaning up after them. Mr. Weiss asked secondly, if this project improved water quality. Mr. Weiss said it had been admitted to him by some of the sewer's strongest proponents, as well as Carp. San at an earlier meeting, that there was no guarantee that the sewer was going to improve water quality. Even if a tiny trace was eliminated in the creek that was from humans, it's not going to make a dent in the total amount of pollution. In dry weather the creek is clean enough as it is, and in wet weather the human contribution is dwarfed by the runoff from the watershed above it. The sewer is complicated due to the geography of the system, and much more prone to failure than a simpler system would be. Mr. Weiss said the project paralleled with Senator Ted Stephens up in Alaska recently proposed building a bridge about the size of the Golden Gate for about a half billion dollars to connect one small island to another to replace the ferry system. People started calling it the bridge to nowhere. Mr. Weiss said the connection to Rincon is that on a per-homeowner basis the project that is proposed here is more expensive than the Alaskan bridge to nowhere, so this looks like it might be our "pipe to no where."

Lucretia Stephenson said she'd like to turn her time over to her husband, Mr. John Stephenson or Mr. Kuttler. Mr. Stephenson and Mr. Kuttler both said no comments.

Sandra Will Carradine said she agreed with everything that had been spoken and look forward to some of the answers to the questions that had been asked. Ms. Carradine said she was there and did not feel she was in a democracy. Ms. Carradine said the principles of a democracy based in this country are founded on what we fought for and what we continue to fight for, and that is that Government is the supreme power and retained by the people. Ms. Carradine said she felt her rights in a democracy and her civil liberties had been denied. Ms. Carradine said her rights as a citizen of the United States had been violated by this Board and other governmental agencies that had scoffed, ridiculed and made a mockery of the community that she lived in. Ms. Carradine said inaccuracies and mistruths have been thrown around with no consequence.

Doug de Firmian said he lived on Rincon Point, and had surfed Rincon. Mr. de Firmian said there was one very simple solution for this stuff and that's to move ahead with the sewers at Rincon. Mr. de Firmian said Jiminy Cricket said let your conscience be your guide, and this was a good time to follow that and do the right thing and move ahead, tally the votes and get on with it.

Brook Taylor said she was a homeowner at Rincon Point, a surfer and mother of two kids. Ms. Taylor said her kids and family spent almost every day in the ocean. Ms. Taylor said she was an environmentalist and was worried about pollution. Ms. Taylor said it had been said time and again that sewerage Rincon was not going to solve the water problems at Rincon. Ms. Taylor said she thought this had been an unfair election based on the intimidation and the kind of behavior that had been going on with certain groups, many here tonight. Ms. Taylor said dirty attacks had been registered against her and her family. Ms. Taylor said her phone number was passed out and someone tried to break into her home and her family was threatened. Ms. Taylor said there were no septic failures at Rincon and it did not compare to Los Oso, even though it's been compared to Los Oso by Ms. Hauser in an email. Even with sewers, surfers are going to get sick when it rains like they do all over California. Ms. Taylor said as citizens of a democratic country they had an obligation to understand what they were about to enter into. Ms. Taylor said she thought it was important to stand up and question what government agencies were doing. Ms. Taylor asked who was going to benefit from the project, and who was going to make money from this project.

President Moorhouse called for a short recess so District Counsel could put together responses to the questions. The Board reconvened at 6:40 pm.

President Moorhouse said for the record written comments were submitted to the Secretary to the Board from Kathy Shanlec.

President Moorhouse said the Board would proceed with answers to the questions received during the public comment period. Scott Ferguson from Jones Hall said he wanted to respond to the questions Mr. Kuttler had asked. Mr. Ferguson said the first question regarding validation meant more careful scrutiny of the ballots to double check against the assessor's roll and review any ballots that seemed questionable. Mr. Ferguson said there would not be enough time at the meeting tonight for that process, and that process would not be a public hearing. It would be an internal process that staff would carry out and the District has agreed to conduct that process this Friday, here at the District offices. General Manager said a time was not scheduled, but if anyone was interested they could contact him tomorrow by midmorning and it would be scheduled, and anyone from the public was welcome to attend. Mr. Ferguson said the Engineer of Work was Penfield & Smith. Judy Kirkman, Secretary to the Board, had been designated as the impartial person, under Section §53753 of the Government Code, to tabulate the ballots and Judy would be doing that with the assistance of Penfield & Smith. The physical inspection of the ballots will be possible on

Friday, and it will also be possible for anyone wishing to inspect the ballots tonight after they have been tabulated. The physical inspection will be under the supervision of Judy Kirkman.

Pat Reeves from Penfield & Smith said there were questions about the general and specific benefits. Mr. Reeves said he had been doing these assessments for the past 30 years and the questions of general and specific benefits had always been a major concern, and we feel the questions raised about parcels that are not developed that could be in the future, we can not make a determination about whether they can be or can not be developed in the future, so what the District will do is have an ordinance so if there is any chance that there are any future developed parcels, whether it is a resort or a park or whoever ties into the District's system, they will have to pay their fair share of the assessment. Mr. Reeves said the District had no control over whether the County would ever allow development or whether they would receive a benefit, and the benefit they would receive was if they would be able to hook up into the sewer. No one will get a free ride at a later date.

General Manager said to augment that discussion the District had not received a request from the County or from Santa Barbara or the State of California County Parks Dept. or any future developer of the so-called Bluffs III resort, so the District had not included them in the assessment district. One question was raised about several parcels within the assessment district and not included in the assessment district, and some of those parcels are publicly owned land within the Carpinteria Salt Marsh that do not require or need sewer service. They are not parcels that would benefit from this project.

General Manager commented on a picture he received that appeared to be a ballot envelope held up against a lightbulb and a digital photograph was taken of it. General Manager said he received an email and that photograph from a property owner within one of the assessment areas earlier, and General Manager read the following email he answered back to the property owner: "Thank you for your input. The assessment ballots received by the Carpinteria Sanitary District both by US Mail and by hand delivery have been maintained under the continuous control of the District's Office Manager and Secretary to the Board in accordance with State Law. I assure you that no member of the District staff has made any attempt to view the contents of any sealed envelope received, either by shining a light through the envelope or any other method. The ballot envelopes are not translucent and the contents of an envelope are not visible in direct ambient light. The District has not allowed any member of the public to handle the envelopes in any manner. Your suggestion that the votes of individual property owners have been read through the envelope by the District or any other party is conjecture and is, in fact, completely false. With respect to the voting process, I believe it has been and will continue to be conducted in conformance with State law and in a manner that is impartial. I don't believe the integrity or the fairness of the voting process has been invalidated through any action of this agency. I hope your concerns have been addressed satisfactorily in this response." General Manager said, for the record, that was the District's response in receiving this photograph and email.

Mr. Kuttler said one of his questions was not answered and he would repeat it. President Moorhouse allowed Mr. Kuttler to repeat his question. Mr. Kuttler asked if the public would be able to physically inspect the ballots at a final validation hearing as well as interpose objections. Mr. Ferguson said the law does not require a public hearing to validate the ballots, and the law does not require validation of ballots. The law requires this public hearing tonight, the tabulation of ballots by the District, the announcement of the results and then the consideration by the Board on whether or not to go forward in forming the assessment district by considering the resolution. The District is going above and beyond what is required by the law. Mr. Kuttler said that was not a response to his question. President Moorhouse said he believed Mr. Kuttler's question had been answered. Legal Counsel confirmed that Mr. Ferguson did respond clearly to that specific question.

President Moorhouse made a public call for any ballots that had not previously been turned in. Receiving none, President Moorhouse closed the hearing and called for a Board recess at 6:53 pm to tabulate the votes.

The Board reconvened at 8:03 pm. Legal Counsel said the record should reflect that as the Zone A ballots were tabulated each individual Zone A ballot was physically inspected, physically handled on a one-by-one basis by Messrs. Kuttler, Wance and Marx, under the supervision of Ms. Kirkman and myself, and that all ballots will continue to be securely maintained by District staff and be available for public inspection as required by law.

General Manager asked Pat Reeves, Assessment Engineer from Penfield & Smith to assist him in reporting the unofficial results. General Manager reported on the overall Assessment District 2007-01. General Manager said dollars in favor would be reported first and then dollars opposed. Mr. Reeves reported the dollars were \$6,081,117, and those opposed were \$3,193,563 for a 65.6%. In terms of the number of votes cast for the record in favor were 69.76% for the overall assessment district. Ninety percent (90%) of the property owners voted in the overall assessment district. The results were posted for the public to view.

Mr. Reeves reported the results of the vote from Zone A (Rincon Point). Mr. Reeves reported there were 41 votes in favor (56.94%) and 31 against (43.1%). Mr. Reeves reported the assessment dollar totals from Zone A were \$3,646,624 vs. \$2,757,204. The vote reflected a 100% turnout.

Mr. Reeves reported the results of the vote from Zone B (Sandyland Cove). Mr. Reeves reported there were 29 in favor (96.6%) and one (1) against (3.4%). The assessment dollar totals from Zone B were \$1,365,036 vs. \$47,070. The vote reflected a 73% turnout.

Mr. Reeves reported the results of the vote from Zone C (Sand Point Road). Mr. Reeves reported there were 12 in favor (66.66%) and six (6) against (33.33%). The assessment dollar totals from Zone C were \$681,619 vs. \$340,809. The voted reflected an 82% turnout.

Mr. Reeves reported the results of the vote from Zone D (Padaro Lane). Mr. Reeves reported there were eight (8) in favor (88.9%) and one (1) against (11.1%). The assessment dollar totals from Zone D were \$387,838 vs. \$48,480. The vote reflected a 90% turnout.

General Manager said the meeting the District agreed to have to allow observation of the process of reviewing the ballots was scheduled for 2:00 pm on Friday, October 19, 2007.

Mr. Kuttler said he had a legal question to direct to the Board about the process that just took place, and his question was "in the context of this being a preliminary, unofficial result, is your Board prepared to take objections to ballots this evening, at the meeting on Friday at 2:00, or when you reconvene to hear the Engineer's Report?" Legal Counsel addressed President Moorhouse and recommended that those objections be submitted to District staff at the meeting on Friday, October 19, 2007 at 2:00 pm.

President Moorhouse said the Board would take a five minute recess and then reconvene to hear the remainder of the Agenda items.

The Board reconvened at 8:20 pm.

Memorandum of Understanding

Integrated Regional Water Management Plan – Prop 50, Round 2, Step 2 Grant

General Manager said the District entered into a MOU with the County of Santa Barbara with 26 other agencies for the IRWMP for the preparation of the IRWMP document. General Manager said a Step 1 Grant Application had been filed for grant funds under Prop. 50. The District has a project on the list for 50% grant funding of a \$2.5 million project to relocate the Bluff sewer line under Carpinteria Avenue. General Manager said the Round 2 application that was submitted to the State for this process for our region was very complicated, and the IRWMP group of cooperating partners had proposed to hire a

consultant to facilitate this process. General Manager said there were five entities competing for funds from a \$64M pool, with a maximum that any one entity could get would be \$25M.

General Manager said the consultant costs to prepare the grant were \$380,000, with a cost sharing proposal based on the actual dollars each agency had requested in the grant application on a % basis. General Manager said the District's contribution to this process would be around \$18,000 and that it exceeded the amount expected for the District to spend this year. General Manager said that he had some reservations regarding the original language in the MOU, but the MOU was amended to include language that ensures that any and all grant proceeds would be distributed on a proportional basis. General Manager said as of today, besides Santa Maria, every other agency had agreed to pay their fair share. General Manager said he recommended that the Board enter into the MOU with the County Water Agency and the Cooperating Partners and approve a budget augmentation to Account 6030-0 in the amount of \$20,000.

Director Horwitz made a motion that the Board enter into the MOU with the County Water Agency and the Cooperating Partners and approve a budget augmentation to Account 6030-0 in the amount of \$420,000; Director Graf seconded the motion and the motion was approved by a 5-0 vote.

SSMP Development Plan Schedule and Goals. General Manager said the District had enrolled and obtained coverage under the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems, WQO No. 2006-0003 (Order) administered by the State Water Resource Control Board. General Manager said the District had accomplished a lot already in the area of collection system analysis, planning and condition assessment. General Manager said one of the specific requirements of the Order was that the Board approve a schedule for SSMP Task Development Schedule and a SSMP Organizational Chart, and also approve SSMP Goals. General Manager said staff had prepared those, and the additional items to be completed by staff were on the timeline attached to the Staff Report. General Manager said it was staff's recommendation that the Board approve the SSMP Task Development Schedule, SSMP Goals and the Collection System Organization Chart as required by the Order.

Director Damron made a motion that the Board approve the Sewer System Management Plan (SSMP) Task Development Schedule, SSMP Goals and the Collection System Organization Chart as required by the Order, and Director Horwitz seconded the motion. Director Treloar asked if the new Safety/Training Officer had tasks assigned to them. General Manager said perhaps in the staff training area some responsibility could be added for this position. Director Treloar said it would look good to have an emphasis on Safety and Training. President Moorhouse called for the vote, and the motion passed by a 5-0 vote.

General Manager's Status Report: General Manager reported on the following: **Joint Safety and Training Officer** – General Manager said he didn't have the opportunity tonight to introduce Christina McMahon-Cullen, the District's new Safety and Training Officer. She started on October 9th and is getting up to speed on the District's safety program and visiting other agencies; **Santa Barbara County Roads Division Encroachment Permit Fees** – SB County Public Works Dept. recently completed a study that recommended a revised schedule for encroachment permit and related fees for underground construction within the County rights of way that will impact our District. Significant increases to permit fees are proposed. General Manager said the bulk of our District was outside of the County, so it would not affect our District as much as it would affect Montecito or Summerland. General Manager said the outcome was that the District would be charged a base fee and actual hourly charges for time spent administering permits and providing inspections;

Collection System Rehabilitation Project – Phase I Update – There was some emergency repair in an 8-inch pipeline on Via Real as part of this project that was completed on a force account basis and necessary to prevent failure. Large diameter pipe lining will commence this week; **Industry/Legislative Updates** – The Board received copies of recent updates and correspondence from CASA and SCAP with respect to wastewater related issues; **Operation Update** - Everything is operating fine. Staff had a kickoff meeting with Bac-Gen and the District will be moving forward on the design and coordination of a digester blower upgrade project. Funding for engineering portion will be paid by Southern California Edison and a portion of the project implementation cost will be paid by a SCE incentive rebate. Four staff members attended training in Primm, NV from September 26-29, 2007. Mission Terrace pump station is going in with a November startup date. Risdon's 76 Station remediation is shut down and the sewer connection terminated.

Board Committee Reports.

Finance Committee – Committee Chairperson Horwitz reported there had been two committee meetings since the last Board meeting. The committee looked at the monthly budgets for August and September and also reviewed the IRWMP MOU. Director Horwitz said the Finance Director submitted a really great financial update report.

Personnel Committee – Did not meet.

Public Relations Committee. Did not meet.

Board General Items - CASA Legislative Committee Report

Future Agenda Items – Board Workshop

Adjournment. There being no further items to discuss, President Moorhouse adjourned the meeting at 8:38 p.m.

Michael Damron
Secretary

Lin Graf
President Pro-Tem

Patricia Horwitz
Treasurer

Jeff Moorhouse
President

Douglas Treloar
Secretary Pro-Tem